

IN THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF NEW YORK

In re:)	
)	Chapter 11
DELPHI CORPORATION, <u>et al.</u> ,)	Case No.05-44481 (RDD)
)	
)	(Jointly Administered)
)	
Debtors.)	
)	

**RESPONSE OF CONTRARIAN FUNDS, LLC, AS ASSIGNEE TO FERRO CORPORATION, TO
DEBTORS' SEVENTH OMNIBUS CLAIMS OBJECTION (SUBSTANTIVE) PURSUANT TO
11 U.S.C. § 502 (b) AND FED. R. BANKR. P. 3007 TO CERTAIN (A) INSUFFICIENTLY
DOCUMENTED CLAIMS, (B) CLAIMS NOT REFLECTED ON DEBTORS' BOOKS AND
RECORDS, AND (C) UNTIMELY CLAIMS**

CONTRARIAN FUNDS, LLC ("Contrarian"), as assignee to FERRO CORPORATION ("Ferro") with respect to Proof of Claim No. 9954 ("PoC 9954"), hereby submits this response (the "Response") to the Debtors' seventh omnibus claims objection (the "Claims Objection") and in support thereof states as follows:

1. This Response pertains to the claim identified in the Claims Objection as follows:

Date Filed	Claim No.	Asserted Claim Amount	Basis for Objection	Treatment of Claim
7/19/2006	9954	\$4,600.00	Exhibit B-1 Books and Records Claims	Disallow and Expunge

- On or about July 19, 2006, Ferro filed PoC 9954, to which a statement of account was attached showing the invoice numbers, invoice dates and amounts underlying the claim asserted in PoC 9954. PoC 9954 is annexed hereto as Exhibit A.
- PoC 9954 was timely filed before the bar date in the Debtors' cases of July 31, 2006.
- After Ferro filed PoC 9954, the Debtors requested a copy of supporting documentation with respect to the claim asserted therein. Accordingly, Contrarian provided copies of each invoice identified in PoC 9954. Those invoices are annexed hereto as Exhibit B.
- Despite this, the Debtors have objected to PoC 9954 without specifying the basis for doing so, other than based on "books and records."
- The Claims Objection does not adequately state the Debtors' objection. Although the stated reason for the dispute is a vague "books and records" claim, the objection (a) did not contain an individual discussion about PoC 9954; (b) did not challenge the legitimacy or accuracy of the supporting documentation attached to PoC 9954 and subsequently provided to the Debtors (and attached as Exhibit B); and (c) did not challenge the timely filing of this claim.
- Moreover, the Debtors failed to meet their burden of proof to controvert the prima facie validity of PoC 9954 because they introduced no evidence including any declaration verifying the allegations contained in the Claims Objection.
- Contrarian holds a valid claim against the Debtors in the amount of \$4,600.00. Thus, PoC 9954 should be allowed in the full amount of \$4,600.00.

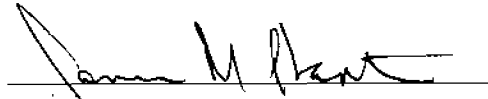
WHEREFORE, Contrarian respectfully requests that the Court overrule the Claims Objection with respect to PoC 9954 and allow PoC 9954 in full.

Respectfully submitted,

Contrarian Funds, LLC

By: Contrarian Capital Management, LLC as Manager

By:

A handwritten signature in black ink, appearing to read "Janice M. Stanton", is written over a horizontal line.

Name: Janice M. Stanton

Title: MEMBER

Exhibit A

FORM B10 (Official Form 10) (04/05)

UNITED STATES BANKRUPTCY COURT <u>Southern</u> DISTRICT OF <u>New York</u>		PROOF OF CLAIM
Name of Debtor <u>Delphi Corporation</u>		Case Number <u>05-44481</u>
NOTE: This form should not be used to make a claim for an administrative expense arising after the commencement of the case. A "request" for payment of an administrative expense may be filed pursuant to 11 U.S.C. § 503.		
Name of Creditor (The person or other entity to whom the debtor owes money or property): <u>Ferro Ferro Corporation</u>		Claim #09954 USBC SDNY Delphi Corporation, et al. 05-44481 (RDD) Received JUL 28 2006 THIS SPACE IS FOR COURT USE ONLY <u>Kurtzman Carson</u>
Name and address where notices should be sent: <u>1000 Lakeside Ave</u> <u>Cleveland, OH 44114</u>		
Telephone number: <u>216-875-6201</u>		
Account or other number by which creditor identifies debtor:		Check here <input type="checkbox"/> replaces if this claim: a previously filed claim, dated: _____ <input type="checkbox"/> amends
1. Basis for Claim <input checked="" type="checkbox"/> Goods Sold / Services Performed <input type="checkbox"/> Customer Claim <input type="checkbox"/> Taxes <input type="checkbox"/> Money Loaned <input type="checkbox"/> Personal Injury <input type="checkbox"/> Other _____ <input type="checkbox"/> Retiree benefits as defined in 11 U.S.C. § 1114(a) <input type="checkbox"/> Wages, salaries, and compensation (fill out below) Last four digits of SS #: _____ Unpaid compensation for services performed from _____ to _____ (date) (date)		
2. Date debt was incurred: <u>9/5/2005 through 9/28/2005</u>		3. If court judgment, date obtained:
4. Total Amount of Claim at Time Case Filed: \$ <u>4,600.00</u> (unsecured) (secured) (priority) <u>\$4,600.00</u> (Total) If all or part of your claim is secured or entitled to priority, also complete Item 5 or 7 below. <input type="checkbox"/> Check this box if claim includes interest or other charges in addition to the principal amount of the claim. Attach itemized statement of all interest or additional charges.		
5. Secured Claim. <input type="checkbox"/> Check this box if your claim is secured by collateral (including a right of setoff). Brief Description of Collateral: <input type="checkbox"/> Real Estate <input type="checkbox"/> Motor Vehicle <input type="checkbox"/> Other _____ Value of Collateral: \$ _____ Amount of arrearage and other charges at time case filed included in secured claim, if any: \$ _____		7. Unsecured Priority Claim. <input type="checkbox"/> Check this box if you have an unsecured priority claim Amount entitled to priority \$ _____ Specify the priority of the claim: <input type="checkbox"/> Wages, salaries, or commissions (up to \$10,000)* earned within 180 days before filing of the bankruptcy petition or cessation of the debtor's business, whichever is earlier - 11 U.S.C. § 507(a)(3). <input type="checkbox"/> Contributions to an employee benefit plan - 11 U.S.C. § 507(a)(4). <input type="checkbox"/> Up to \$2,225* of deposits toward purchase, lease, or rental of property or services for personal, family, or household use - 11 U.S.C. § 507(a)(6). <input type="checkbox"/> Alimony, maintenance, or support owed to a spouse, former spouse, or child - 11 U.S.C. § 507(a)(7). <input type="checkbox"/> Taxes or penalties owed to governmental units - 11 U.S.C. § 507(a)(8). <input type="checkbox"/> Other - Specify applicable paragraph of 11 U.S.C. § 507(a)(____). <small>*Amounts are subject to adjustment on 4/1/07 and every 3 years thereafter with respect to cases commenced on or after the date of adjustment. \$10,000 and 180-day limits apply to cases filed on or after 4/20/05. Pub. L. 109-8</small>
6. Unsecured Nonpriority Claims <u>4,600.00</u> <input checked="" type="checkbox"/> Check this box if: a) there is no collateral or lien securing your claim, or b) your claim exceeds the value of the property securing it, or if c) none or only part of your claim is entitled to priority		
8. Credits: The amount of all payments on this claim has been credited and deducted for the purpose of making this proof of claim. 9. Supporting Documents: Attach copies of supporting documents, such as promissory notes, purchase orders, invoices, itemized statements of running accounts, contracts, court judgments, mortgages, security agreements, and evidence of perfection of lien. DO NOT SEND ORIGINAL DOCUMENTS. If the documents are not available, explain. If the documents are voluminous, attach a summary. 10. Date-Stamped Copy: To receive an acknowledgment of the filing of your claim, enclose a stamped, self-addressed envelope and copy of this proof of claim.		THIS SPACE IS FOR COURT USE ONLY
Date: <u>7/18/2006</u> Sign and print the name and title, if any, of the creditor or other person authorized to file this claim (attach copy of power of attorney, if any): <u>DA McDowell, D.A. McDowell, Corporate</u> <u>Credit Manager</u>		

Penalty for filing fraudulent claim: Fine of up to \$500,000 or imprisonment for up to 5 years, or both. 18 U.S.C. §§ 152 and 3571.




054448106071900000000023


Delphi Packard Electric
5245 S. Prospect Street
Ravenna, OH 44266
6-Oct-05
A/C # 1505010

	Invoice #	Invoice date	Amount
Invoice	90371322	9/5/2005	2,125.00
Invoice	90357688	9/20/2005	350.00
Invoice	90378444	9/28/2005	2,125.00
	Total		4,600.00

Exhibit B

 <p>Chemicals US PO Box 147000 CLEVELAND OH 44114-7000 USA Phone: 800-321-9942 Fax: 216-750-1419</p>				<p style="text-align: right;">Page: 1 / 1</p> <p>INVOICE</p> <p>Ferro Invoice Number: 90371322 Date: 09/06/2006 Your Purchase Order No: PEDP4950044 Ferro Order No: 538127</p>					
<p>Bill To: 1505010</p> <p>Delphi Packard Electric (pad) 5245 S. Prospect Street Ravenna OH 44286</p>				<p>Ship To: 1505010</p> <p>Delphi Packard Electric (pad) 5245 S. Prospect Street Ravenna OH 44286</p>					
<p>Shipping Plant: US17</p> <p>Cleveland Wayside Plant 1660 Wayside Road CLEVELAND OH 44112 USA</p>				<p>Payment Terms: Net 30 Days</p> <p>Delivery Terms (INCO 2000): EXW Ferro Plant</p> <p>Carrier: The Connection</p>					
Item	Ref. No.	Ferro Material No.	Description Net Qty.	UOM	Pieces	Net Qty./ Pkg.	UOM	Net Price/ Unit (USD)	Total Value (USD)
10	80842195	1313224	Zn Stearate 8 Prill 25x50 Lb Bag 2,500.00	LB	50.00	50.00	LB	0.850	2,125.00
<p>Ship Date: 09/06/2006 Your material number: M3403002 Batch No.: 070706599</p>									
<p>Billing information Do Not Mail Invoice. Customer pays on receipt of delivery.</p>									
<p>Thank you for your order.</p> <p>Please contact your Ferro representatives as listed below should you require further assistance.</p>						<p>Total Value of Goods & Services: 2,125.00</p> <p>Freight, Handling and Insurance Charges: 0.00</p> <p>Sales Tax Applicable: 0.00</p> <p>Total Amount Due: 2,125.00</p>			
<p>Remit To:</p> <p>Ferro Corporation PO Box 5831 Cleveland, OH 44193-1022</p>						<p>Your Ferro Customer Service Rep:</p> <p>Barbara Turner Phone: 8003219942 Fax: 2167501419</p>			
<p>TERMS & CONDITIONS OF SALE ARE STATED ON THE REVERSE SIDE HEREOF</p>									

<p>Chemicals US PO Box 147000 CLEVELAND OH 44114-7000 USA Phone: 800-321-9942 Fax: 216-750-1419</p>					<p>Page: 1 / 1</p> <p>Debit memo</p> <p>Ferro Invoice Number: 90375688 Date: 09/20/2005 Original Order Number: 496571 Date: 05/03/2006 Your Purchase Order No: PEDP4950044</p>				
<p>Bill To: 1505010</p> <p>Delphi Packard Electric (pad) 5245 S. Prospect Street Ravenna OH 44266</p>					<p>Ship To: 1505010</p> <p>Delphi Packard Electric (pad) 5245 S. Prospect Street Ravenna OH 44266</p>				
<p>Shipping Plant: US17</p> <p>Cleveland Wayside Plant 1660 Wayside Road CLEVELAND OH 44112 USA</p>					<p>Payment Terms: Net 30 Days</p>				
Item	Ref. No.	Ferro Material No.	Description Net Qty.	UOM	Places	Net Qty./ Pkg.	UOM	Net Price/ Unit (USD)	Total Value (USD)
10	70006652	1313224	Zn Stearate 8 Prill 25x50 Lb Bag 2,500.00	LB	50.00	50.00	LB	0.140 LB	350.00
<p style="text-align: center;">Your material number: M3403002</p>									
<p>Billing information Debit chargeback on wire transfer #20050811010489 dated 8-11-05 to adjust pricing effective 6-15-05 to \$.85/lb. against invoice #90346182 dated 6-14-05</p>									
<p>Thank you for your order.</p> <p>Please contact your Ferro representatives as listed below should you require further assistance.</p>						<p>Total Value of Goods & Services: 350.00</p> <p>Freight, Handling and Insurance Charges: 0.00</p> <p>Sales Tax Applicable: 0.00</p> <p>Total Amount Due: 350.00</p>			
<p>Remit To:</p> <p>Ferro Corporation PO Box 5831 Cleveland, OH 44193-1022</p>					<p>Your Ferro Customer Service Rep:</p> <p>Barbara Turner Phone: 8003219942 Fax: 2167501419</p>				
<p>TERMS & CONDITIONS OF SALE ARE STATED ON THE REVERSE SIDE HEREOF</p>									

 <p>Chemicals US PO Box 147000 CLEVELAND OH 44114-7000 USA Phone: 800-321-9942 Fax: 216-750-1419</p>		<p style="text-align: right;">Page: 1 / 1</p> <p>INVOICE</p> <p>Ferro Invoice Number: 90378444 Date: 09/28/2005 Your Purchase Order No: PEDP4950044 Ferro Order No: 551437</p>							
<p>Bill To: 1505010</p> <p>Delphi Packard Electric (pad) 5245 S. Prospect Street Ravenna OH 44266</p>		<p>Ship To: 1505010</p> <p>Delphi Packard Electric (pad) 5245 S. Prospect Street Ravenna OH 44266</p>							
<p>Shipping Plant: US17</p> <p>Cleveland Wayside Plant 1660 Wayside Road CLEVELAND OH 44112 USA</p>		<p>Payment Terms: Net 30 Days</p> <p>Delivery Terms (INCO 2000): EXW Ferro Plant</p> <p>Carrier: The Connection</p>							
Item	Ref. No.	Ferro Material No.	Description Net Qty.	UOM	Pieces	Net Qty./ Pkg.	UOM	Net Price/ Unit (USD)	Total Value (USD)
10	80858417	1313224	Zn Stearate 8 Prill 25x50 Lb Bag 2,500.00	LB	50.00	50.00	LB	0.850	2,125.00
<p>Ship Date: 09/28/2005 Your material number: M3403002 Batch No.: Q70809599</p>									
<p>Billing information Do Not Mail Invoice. Customer pays on receipt of delivery.</p>									
<p>Thank you for your order.</p> <p>Please contact your Ferro representatives as listed below should you require further assistance.</p>						<p>Total Value of Goods & Services: 2,125.00</p> <p>Freight, Handling and Insurance Charges: 0.00</p> <p>Sales Tax Applicable: 0.00</p> <p>Total Amount Due: 2,125.00</p>			
<p>Remit To:</p> <p>Ferro Corporation PO Box 5831 Cleveland, OH 44193-1022</p>						<p>Your Ferro Customer Service Rep:</p> <p>Barbara Turner Phone: 8003219942 Fax: 2167501419</p>			
<p>TERMS & CONDITIONS OF SALE ARE STATED ON THE REVERSE SIDE HEREOF</p>									